

**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**MBA –SEMESTER 4– • EXAMINATION – SUMMER 2016**

**Subject Code:2840004****Date: 03/05/2016****Subject Name: Enterprise Resource Planning (ERP)****Time:10.30 AM TO 01.30 PM****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

- Q.1(a)** Multiple choice questions. Each is carrying one mark. **6**
1. Which of the following is a misconception about ERP systems?
 

A. ERP means more work and procedures	B. ERP will make people redundant and jobless
C. One ERP system will be suited for all organizations	D. All of the above
  2. Which of the following is not an ERP implementation life cycle phase?
 

A. Package selection	B. Customization
C. Reengineering	D. Recruitment
  3. Which of the following is the predecessor of ERP?
 

A. MRP	B. Closed-loop ERP
C. MRP II	D. All of the above
  4. What is one of the key resources of every organization, in today's competitive business environment?
 

A. Employee	B. Information
C. ERP	D. Database
  5. OLAP stands for:
 

A. On-Line Arithmetic Processing	B. On-Line Analytical Processing
C. On-Line Account Processing	D. On-Line Application Processing
  6. Data mining is the process of identifying valid, new, potentially useful, and ultimately clear \_\_\_\_\_ from databases.
 

A. Decision	B. Strategies
C. Information	D. Account
- Q.1 (b)** Give the meaning of the following terms. Each is carrying one mark. **04**
1. Metadata.
  2. BOM.
  3. Business Intelligence.
  4. Logical data warehouse.
- Q.1 (c)** Explain with relevant example how ERP helps in: **04**
1. Reduction of Lead time
  2. Improving resource utilization

<b>Q.2</b>	(a) What is an enterprise? How ERP System helps enterprise to function more effectively	<b>07</b>
	(b) In the initial stage Material requirement planning was the concept for production management & control in manufacturing. From this concept ERP was evolved by adding more & more feature as well as integrated with other function of the business. Describe the evolution of ERP System	<b>07</b>
<b>OR</b>		
	(b) “ERP can be perceived as an effective tool to enhance customer satisfaction”. Do you agree or disagree with the above statement. Elaborate.	<b>07</b>
<b>Q.3</b>	(a) What is data mining? What are the advantages of data mining? Explain the data mining process.	<b>07</b>
	(b) Explain the Market dynamics and ERP market share with reference to Indian market.	<b>07</b>
<b>OR</b>		
<b>Q.3</b>	(a) Explain the ERP Package evaluation and selection process.	<b>07</b>
	(b) What are the tangible and intangible benefits of ERP? Explain with relevant example how intangible benefits are more important than tangible benefits.	<b>07</b>
<b>Q.4</b>	(a) What are the subsystems of the Finance module of an ERP package? Explain the function of each of these subsystems.	<b>07</b>
	(b) ERP software promise great benefits. But what are the costs involved? In most cases ERP implementation cost will exceed the budget. In most cases manager fail to account for areas in their budget resulting in over run. These are hidden cost. Explain the hidden cost of ERP implementation.	<b>07</b>
<b>OR</b>		
<b>Q.4</b>	(a) Which are the factors leading to failure or success of ERP implementation in a company?	<b>07</b>
	(b) What is BPR? How does it differ from other management practice? Can BPR help in improvement of organization processes? How it is connected to ERP?	<b>07</b>
<b>Q.5</b>	<p><b>IQMS AT STURGIS MOLDED PRODUCTS (SMP)</b></p> <p><b>The Company</b></p> <p><b>Sturgis Molded Products (SMP), Michigan, USA.</b></p> <p>Company Web site: <a href="http://www.smpco.com/">http://www.smpco.com/</a></p> <p>Sturgis Molded Products Company (SMP) is a one-stop shop for cost-effective, “total solutions molding,” providing, in addition to full service tool production, innovative plastic injection molding solutions to the medical, automotive, consumer, industrial and heavy truck industries. Widely recognizes for its expertise, SMP offers superior tool design, production, prototyping, engineering and scientific molding, as well as full product launch support and a number of quality processes such as metal-to-plastic conversion, insert molding, and in-mold film processing.</p>	<b>14</b>

### **The Problem/Situation**

SMP serves a number of high-demand markets, including the medical, automotive, consumer, industrial and heavy truck industries, providing quality molded parts and components according to a diverse range of consumer specifications and shipment protocols. Within this dynamic framework, SMP must be meticulous in its manufacturing performance and nimble in its ability to optimize plant operations. This is why in June 2003 it sought to upgrade its dated, multi-system ERP software

“We were getting to the point where our previous system could not support company growth,” said Carol MacDonald, IS manager at SMP. “We also wanted to move to a true Windows-based solution and add a quality system and preventative maintenance software.”

However, after assessing the cost to retro-fit its old ERP system and acknowledging the number of third-party vendors it would take to fulfill the company's growing business needs, MacDonald and others at SMP agreed that the company needed a single-source solution that would enable it to exceed its customers' quality and delivery expectations, while gaining operational efficiencies that would directly benefit SMP's bottom-line.

### **The Solution and Implementation**

SMP considered several ERP options before purchasing EnterpriseIQ along with the EDI, warehouse management, and real-time production monitoring modules. SMP liked the fact that EnterpriseIQ covered all of its ERP needs with one cohesive system and that additional functionality could be added as needed without the use of third party software. The company went live with IQMS in May 2004, and has since seen benefit in almost every sector of its business, from tooling and production to customer support and product delivery.

Another critical area where SMP sought to gain efficiencies was in the company's ability to deliver improved EDI capabilities. In the past, SMP had to manage a manual import/export process between its EDI and ERP applications, a task that lumbered under any variances or charges a customer might request.

The solution was implemented using EnterpriseIQ ERP software system, including real-time production; electronic data interchange (EDI) and warehouse management modules. The database used was Oracle and it was installed on a Windows-based server platform.

Q1 – What transition Strategy you will use and give your reason for selecting the same?

Q2 - List the benefits realized by implementation of ERP.

**OR**

**Q.5**

Q-1 Vendors are the people who have developed the ERP package. They know the tool best. If you were to select the vendor how you would prepare the contract defining the roles & responsibilities of Vendor?  
Q-2 What do you mean by PLM? Explain in brief the areas where PLM helps an organization.

**14**

\*\*\*\*\*